(b) Orissa Government have indicated their willingness to consider restoration of original concessions relating to Orissa Sales Tax and exemption of entry tax on crude oil.

(c) No, Sir. In the first stage of implementation for the Refinery Project, an SPM system, with pipelines and Crude Oil Terminal at Paradeep is proposed.

Privatisation for retailing sector of IOC

70. SHRI K. CHANDRAN PILLAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have any plan to privatize the retailing infrastructure of IOC;

(b) if so, the reasons therefore;

(c) whether privatizing the retail outlets of IOC would cause the company losing its position as a profit making PSU; and

(d) if not, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK) : (a) to (d) While considering the judgement of the Supreme Court dated 16-9-2003 on HPCL & BPCL, the Government have decided to pursue the following three options simultaneously :

(i) to seek appropriate legal remedies;

(ii) to enact an appropriate legislation by building consensus; and

(iii) to explore the executive option of disinvesting the marketing arm of the Indian Oil Corporation Limited.

Option (iii) is still under preliminary stage of consideration and Government is yet to reach any final decision with regard to this option or its modalities.

Revision in prices of LPG and Kerosene

71. DR. ABRAR AHMED: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have decided not to execute any hike in the retail prices of LPG and kerosene and postpone the proposed phasing out of subsidy on the two fuels by two years;

(b) if so, the reasons for taking such decision; and

(c) the quantum of loss Government are likely to incur as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) to (c) Considering that the PDS Kerosene and Domestic LPG are domestic fuels of mass consumption, the Government has decided that the Oil Marketing Companies will not increase the selling prices of these products during 2003-04. The resultant under-recoveries of the Oil marketing Companies, projected to be around Rs. 8200 crore, would be absorbed/ shared amongst the public sector oil & gas companies.

Gas shortage in Eastern States

72. SHRI AMAR SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that Eastern States have been facing shortage of gas which has resulted in the economic regional imbalances and fertilizer and power plants have been adversely affected due to non-availability of gas;

(b) if so, the details thereof and in what manner Government propose to make up the shortage; and

(c) whether the proposal for the import of Gas from Bangladesh has materialised and if so, the details thereof and it not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) Presently, there is no availability of natural gas in the Eastern States. The Power and Fertilizer Plants in these States are also not gas based but based on alternate fuels/feedstocks. However, the Government have taken steps to encourage domestic production of natural gas by awarding Exploration and Production Blocks under New Exploration Licensing Policy (NELP) and Coal Bed Methane (CBM) rounds. Government is also pursuing gas imports from Bangladesh and Myanmar.

(c) The initiative to import gas from Bangladesh has not progressed further because the Government of Bangladesh is yet to take a decision to export gas to India.

Notification of gas pipeline policy

73. SHRI K. RAMA MOHANA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government are in the process of finalizing a policy for laying gas pipeline across the country;